

FISCAL NOTE

SB 2253 - HB 3264

February 12, 1998

SUMMARY OF BILL: Amends the retirement law by requiring that the minimum benefit for a state employee or teacher who retires with at least 30 years of creditable service be at least the poverty income limit for an individual, as determined by the applicable federal agency.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$6,339,000 Annual Amortized Cost

Increase Local Govt. Expenditures*:

\$3,491,000 Annual Amortized Cost

Other Fiscal Impact - Increase Federal/Other Expenditures:

\$367,000 Annual Amortized Cost

Estimate assumes:

- Total lump sum liability to state government of \$58,329,000
- Annual amortized cost using a 20-year amortization of lump sum liability
- K-12 teachers assumes 60%-40% ratio between state and local funding

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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